

CITY OF OMAK
Okanogan County, Washington
January 1, 1993 Through December 31, 1994

Schedule Of Findings

1. The City Of Omak Should Monitor The Budget To Ensure That Expenditures Are Within Budget Appropriations

In our audit report No. 54515 for fiscal years 1990 and 1991, we reported that city officials had not monitored the budget, which resulted in expenditures exceeding appropriations. In our audit report No. 55294 for the fiscal year 1992, we reported that the city did not have any material instances of noncompliance but that immaterial instances were noted. We found that the city's expenditures exceeded appropriations for fiscal years 1993 and 1994 as follows:

<u>Year</u>	<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Amount Exceeded</u>
1993	Equipment Rental	\$193,907	\$195,681	\$1,774
1994	Hotel/Motel Tax	39,050	39,259	209
	CDBG	-	28	28

RCW 35.33.121 states in part:

. . . the expenditures of a city or town funds or the incurring of current liabilities on behalf of the city or town shall be limited to . . . the total amount appropriated for each fund in the budget for the current fiscal year

RCW 35.33.125 states in part:

The Clerk shall issue no warrant and the city or town legislative body or other authorized person shall approve no claim for an expenditure in excess of the total amount appropriated for any individual fund

We recommend that the city monitor the budget so that expenditures will not exceed appropriations.

2. The City Of Omak Should Prepare And Submit The Annual Report Within the Prescribed Time

The City of Omak's Annual Financial Report for 1994 was not prepared and submitted to the Office of State Auditor and made available for public review within 150 days after the close of the fiscal year.

RCW 43.09.230 states in part:

The state auditor shall require from every taxing district and other political subdivisions financial reports covering the full period of each fiscal year . . . Such reports shall be prepared, certified, and filed with the division within one hundred fifty days after the close of each fiscal year.

When financial reports are not prepared and filed as required, the users of these reports are denied access to the city's financial information. Such users include:

- a. The taxpayers within the city.
- b. The state legislature, which receives a copy of the annual volume of comparative statistics for all municipalities, published pursuant to RCW 43.09.230.

In addition, when the information provided in the city's financial statements and schedules is not available in a timely manner, audit time and costs could be significantly increased.

The city was delayed in the preparation of their financial reports because they have failed to commit adequate resources to meet the annual deadline.

We recommend that the city submit the annual report within 150 days after the close of the fiscal year as required by statute.